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Arizona Corporation Commission

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BEFORE THE ARIZONA CORPORATION COMMISSION

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ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

COMMISSIONERS

BOB STUMP - Chairman
GARY PIERCE
BRENDA BURNS
BOB BURNS
SUSAN BITTER SMITH

IN THE MATTER OF THE APPLICATION OF
CLEAR SPRINGS UTILITY COMPANY, INC.
FOR AUTHORITY TO INCUR LONG-TERM
DEBT.

DOCKET NO. WS-01689A-11-0401

IN THE MATTER OF THE APPLICATION OF
CLEAR SPRINGS UTILITY COMPANY, INC.
FOR A RATE INCREASE.

DOCKET NO. WS-01689A-11-0402

PROCEDURAL ORDER

BY THE COMMISSION:

On November 3, 2011, Clear Springs Utility Company, Inc. ("Clear Springs" or "Company") filed with the Arizona Corporation Commission ("Commission"), an application for authority to incur long-term debt ("Finance Application"), as well as a request for a rate increase ("Rate Application").

On January 30, 2012, the Commission's Utilities Division ("Staff") issued its letter deeming the Rate Application sufficient under the Arizona Administrative Code ("A.A.C."). A Procedural Order was filed on February 13, 2012, setting the hearing on the Rate Application for August 6, 2012.¹

As required by the February 13, 2012, Procedural Order, Clear Springs filed an Affidavit of Publication and Mailing of the Notice of the Rate Application hearing on April 10, 2012.

On June 1, 2012, Staff filed a Motion to Consolidate the Finance and Rate Application dockets. Staff's Motion was granted in a Procedural Order filed June 5, 2012, and the hearing on the consolidated matters was held on August 6, 2012.

Although the Company provided notice of the Rate Application hearing as required, it appears that Clear Springs' customers were not notified of the pending Finance Application or that it would be considered at the August 6, 2012, hearing.

¹ Both Applications were originally assigned to Administrative Law Judge Jane Rodda, who issued the February 13, 2012, Procedural Order. The matters were subsequently re-assigned to Administrative Law Judge Belinda Martin on March 22, 2012.

IT IS THEREFORE ORDERED that the Company shall provide public notice of the Finance Application in the following form and style with the heading in no less than 14-point bold type and the body in no less than 10-point regular type:

**PUBLIC NOTICE OF THE APPLICATION OF
CLEAR SPRINGS UTILITY COMPANY, INC. FOR
AUTHORITY TO INCUR LONG-TERM DEBT
Docket No. WS-01689A-11-0401**

On November 3, 2011, Clear Springs Utility Company, Inc. ("Company") filed an application with the Arizona Corporation Commission ("Commission") for an order authorizing the Company to obtain a \$511,000 loan from the Arizona Water Infrastructure Finance Authority for purpose of financing water system upgrades and improvements ("Finance Application"), Docket No. WS-01689A-11-0401.

Also on November 3, 2011, the Company filed an application with the Commission for approval of a rate increase ("Rate Application") in Docket No. WS-01689A-11-0402. On March 30, 2012, the Company advised customers, by mailing and publication, of its Rate Application and of an August 6, 2012, hearing on the Rate Application. On June 5, 2012, the Rate Application and Finance Application matters were consolidated and the hearing was held as scheduled. After the hearing, it was learned that notice of the Finance Application was not provided to the Company's customers as required by Arizona law.

The Company's Finance Application and all filings relating to the Finance Application are available for inspection during regular business hours at the Commission's offices at 1200 West Washington, Phoenix; 400 West Congress Street, Suite 218, Tucson; or the Company's offices as noted below. The Finance Application and all filings are also available on the Commission's website (www.azcc.gov) using the e-Docket function.

If you have any substantive questions concerning the Finance Application, you may contact the Company at: [COMPANY SHOULD INSERT NAME, ADDRESS, TELEPHONE NUMBER, AND E-MAIL ADDRESS FOR CUSTOMER CONTACTS CONCERNING THE APPLICATION].

Written public comments on the Finance Application may be submitted by mailing a letter referencing Docket No. WS-01689A-11-0401 to Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007, or by email. For a form to use and instructions on how to e-mail comments to the Commission, go to <http://www.azcc.gov/divisions/utilities/forms/PublicCommentForm.pdf>. If you require assistance, you may contact the Consumer Services Section at 1-800-222-7000 or (520) 628-6550. **WRITTEN PUBLIC COMMENTS ON THE FINANCE APPLICATION MUST BE SUBMITTED NO LATER THAN APRIL 26, 2013.**

Intervention in the Commission's proceedings on the Finance Application shall be permitted to any person entitled by law to intervene and having a direct substantial interest in this matter. If you wish to intervene in the Finance Application proceedings, you must file the original and 13 copies of a written motion to intervene with the Commission **no later than April 26, 2013**, and send a copy of the motion to the Company or its counsel and to all parties of record. Your motion must contain the following:

1. Your name, address, and telephone number and the name, address and telephone number of any party upon whom service of documents is to be made, if not yourself.
2. A short statement of your interest in the proceeding (e.g., a customer of the Company, etc.).
3. Whether the proposed intervenor desires to re-open the formal evidentiary hearing on the consolidated matters for the purposes of presenting testimony and evidence on the Finance Application only, and the reasons for the request.
4. A statement certifying that you have mailed a copy of the motion to intervene to the Company or its counsel and to all parties of record in the case.

The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except that all motions to intervene must be filed no later than April 26, 2013. For information about requesting intervention, visit the Commission's website at <http://www.azcc.gov/divisions/utilities/forms/interven.pdf>.

IT IS FURTHER ORDERED that the Company shall **mail** to each of its customers a copy of the above notice by **April 12, 2013**.

IT IS FURTHER ORDERED that the Company shall **file certification** of mailing **no later than April 22, 2013**.

IT IS FURTHER ORDERED that **intervention** in the Finance Application proceedings shall be in accordance with A.C.C. R14-3-105, except that all motions to intervene must be filed **no later than April 26, 2013**.

IT IS FURTHER ORDERED that notice shall be deemed complete upon mailing notwithstanding the failure of an individual customer to read or receive the notice.

IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113 - Unauthorized Communications) applies to this proceeding and shall remain in effect until the Commission's Decision in this matter is final and non-appealable.

IT IS FURTHER ORDERED that the time periods specified herein shall not be extended pursuant to Rule 6(a) or (3) of the Rules of Civil Procedure.

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1 IT IS FURTHER ORDERED that the Presiding Administrative Law Judge may rescind, alter,
2 amend, or waive any portion of this Procedural Order either by subsequent Procedural Order or by
3 ruling at hearing.

4 DATED this 2nd day of April, 2013.

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6 
7 BELINDA A. MARTIN
ADMINISTRATIVE LAW JUDGE

8 Copies of the foregoing mailed/delivered
9 this 2nd day of April, 2013, to:

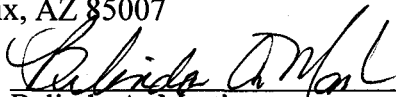
10 Steve Wene, Esq.
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14 Bonnie O'Connor, President
15 SOUTHWESTERN UTILITY MANAGEMENT
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18 Janice Alward, Chief Counsel
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20 ARIZONA CORPORATION COMMISSION
21 1200 West Washington Street
22 Phoenix, AZ 85007

23 Steven M. Olea, Director
24 Utilities Division
25 ARIZONA CORPORATION COMMISSION
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28 By:


Belinda A. Martin